APPROVED

at an extraordinary general meeting of shareholders of Open Joint Stock Company Raspadskaya Minutes No. w\n of September 4, 2006

Chairman of the extraordinary general meeting of shareholders

/signature/ A.S. Vagin
[Seal]

REVISED REGULATIONS

OF THE BOARD OF DIRECTORS

OF OAO RASPADSKAYA

The City of Mezhdurechensk, 2006

1. GENERAL

1.1. The Board of Directors shall carry out the general management of operations of Open Joint Stock Company Raspadskaya (the Company), except the matters that are reserved for the general meeting of shareholders pursuant to the Federal Law on Joint Stock Companies and the Charter of the Company.

1.2. In its operations, the Board of Directors shall be governed by laws of the Russian Federation, the Charter of the Company, these Regulations and other internal documents of the Company to the extent relating to operations of the Board of Directors and approved at a general meeting and/or by the Board of Directors.

2. COMPOSITION OF THE BOARD OF DIRECTORS

2.1. Members of the Board of Directors shall be elected at a general meeting of shareholders of the Company by a cumulative vote for a period until the following annual meeting of shareholders as provided for in laws of the Russian Federation and in the Charter of the Company. The Board of Directors shall consist of seven members.

2.2. Chairman of the Board of Directors.

2.2.1. The Board of Directors shall elect the Chairman of the Board of Directors from among its members.

2.2.2. The Board of Directors may at any time re-elect its Chairman.

2.2.3. The Chairman of the Board of Directors shall:

- Organize the work of the Board of Directors;
- Convene meetings of the Board of Directors or organize absentee voting by delivering notices to members of the Board of Directors;
- Cause the preparation of minutes at meetings of the Board of Directors and at general meetings of shareholders;
- Chair and preside over meetings of the Board of Directors and general meeting of shareholders;
- Execute on behalf of the Company the contract with the general director (the management entity).

2.2.4. In the event of absence of the Chairman of the Board of Directors, a member of the Board of Directors shall function as the Chairman in accordance with a resolution passed by the Board of Directors.

2.3. Secretary of the Board of Directors.

2.3.1. The Board of Directors shall elect the Secretary of the Board of Directors. Any individual, including not a member of the Board of Directors, may be elected as the Secretary of the Board of Directors. The Secretary of the Board of Directors shall function as such until a new secretary is elected.

2.3.2. The Board of Directors may at any time re-elect the Secretary of the Board of Directors.

2.3.3. The Secretary of the Board of Directors shall:

- prepare and compose minutes of meetings of the Board of Directors;
- sum up the results of voting on resolutions adopted by the Board of Directors;
- record and keep all incoming documentation and copies of outgoing documentation of the Board of Directors;
- deliver to members of the Board of Directors notices of meetings of the Board of Directors;
- deliver to members of the Board of Directors voting ballots on resolutions of the Board of Directors to be adopted by absentee voting;
- store minutes of meetings of the Board of Directors and resolutions of the Board of Directors adopted by poll (by absentee voting);

- store voting ballots and written opinions on any items on the agenda issued by members of the Board of Directors of the Company that were absent from a meeting of the Board of Directors, delivered by such members to the Board of Directors;
- store questionnaires of members of the Board of Directors prepared for the purposes of efficient information servicing of members of the Board of Directors.

2.4. For the purposes of preliminary and efficient consideration of any matters reserved for the Board of Directors, the Board of Directors shall establish, out of its members, permanent committees: the audit committee and the corporate governance committee. If necessary, the Board of Directors may also establish other committees, either permanent or temporary. Committees of the Board of Directors shall act on the basis of regulations approved by the Board of Directors. Prior to adopting a resolution, the Board of Directors shall review the opinion of the respective committee of the Board of Directors.

2.5. The Board of Directors shall include an independent director (independent directors). To qualify as independent, the director shall:

- meet the requirements provided for in the Federal Law On Joint Stock Companies and the list of requirements that are mandatory conditions of listing at a stock exchange in the Russian Federation in accordance with the Regulations of Activities in Connection with the Organization of Trade in the Securities Market approved by Order No. 04-1245/pz-n of the Federal Service for Financial Markets, dated December 15, 2004 (as amended), or, in the event such list is terminated, other similar requirements;

- not be an officer or employee of the Company (the management entity of the Company) or any affiliate of the Company during the past five years;

- not be a party to an agreement with the Company under with he or she may acquire property (obtain monetary funds) with the value equal to 10 or more per cent of the aggregate annual income of such person, except compensation for the involvement in operations of the Board of Directors, and not receive or have received any additional compensation from the Company, except the compensation payable to a director, not be covered by the Company's stock option plan or any other plan relating to the payment for the work efficiency;

- not be a member of the board of directors of any affiliate of the Company and have no significant relations with any other member of the Board of Directors of the Company through the involvement in the management bodies or the charter capital of any other company or entity;

- not be a representative of any holders in the aggregate of 20 or more per cent of the Company's voting shares.

2.6. At its first meeting held after the annual or extraordinary general meeting of shareholders of the Company that elected a new Board of Directors, the Board of Directors shall:

- elect the Chairman of the Board of Directors,
- adopt a resolution to establish committees of the Board of Directors and elect their members;
- determine who of members of the Board of Directors is independent;
- elect the Secretary of the Board of Directors.

Such first meeting of the Board of Directors shall be held not later than on the 16th business day following the general meeting of shareholders of the Company. The first meeting of the Board of Directors may be held on the date of the general meeting of shareholders of the Company after the announcement of the results of voting on the election of members of the Board of Directors.

3. MEETINGS OF THE BOARD OF DIRECTORS

3.1. The Board of Directors shall have the capacity to pass resolutions (have a quorum), provided that its meeting is attended by at least five (5) members of the Board of Directors.

3.2. Each resolution of the Board of Directors shall be adopted by at least five (5) votes "IN FAVOR" of members of the Board of Directors, unless the Federal Law On Joint Stock Companies provides for more votes.

3.3. Convention of a meeting of the Board of Directors.

3.3.1. A meeting of the Board of Directors may be convened by the Chairman of the Board of Directors at his or her own initiative, by request of a member of the Board of Directors, of the audit commission (internal auditor) of the Company or the external auditor of the Company, or the executive body of the Company.

3.3.2. Each request to convene a meeting of the Board of Directors shall contain the following information:

- the identity of the initiator of the meeting;
- the wording of items on the agenda;
- clearly defined reasons for putting such items on the agenda;
- the address to which a response to such request shall be sent.

Each request shall be signed by the initiator of the meeting.

3.3.3. A request made by the initiator of a meeting of the Board of Directors shall be in writing and shall be sent by registered mail for the attention of the Chairman of the Board of Directors, return receipt requested, or hand delivered to the reception of the Company and marked as received.

The date of a request to convene a meeting of the Board of Directors shall be the date of the notice of delivery or acceptance of such request at the Company's reception.

3.3.4. During 5 business days from the date of a request, the Chairman of the Board of Directors shall adopt a resolution either to convene or to refuse to convene a meeting of the Board of Directors.

A resolution to refuse to convene a meeting of the Board of Directors may be adopted only in the event:

- the procedure established in these Regulations for making a request to convene a meeting has not been complied with;
- the person requesting a meeting is not any of the persons referred to in section 3.3.1. hereof;
- none of the items proposed for the agenda of the meeting of the Board of Directors belongs to its competence;
- an item proposed for the agenda does not meet the requirements of the Federal Law On Joint Stock Companies or other laws of the Russian Federation.

3.3.5. The resolution of the Chairman of the Board of Directors to convene a meeting of the Board of Directors or a motivated resolution to refuse to convene a meeting shall be sent to each person requesting such meeting, not later than three business days following the date of such resolution, by registered mail, return receipt requested, or delivered by hand against receipt to each person requesting a meeting of the Board of Directors or the representative of such person.

3.3.6. In the course of preparation for a meeting of the Board of Directors, the Chairman of the Board of Directors shall determine:

- the date, time, place and form of the meeting;
- the agenda of the meeting;
- the list of information (materials) to be submitted to members of the Board of Directors before the meeting.

3.4. Notification of members of the Board of Directors of the convention of and holding a meeting of the Board of Directors.

3.4.1. Each member of the Board of Directors shall be notified of a meeting of the Board of Directors, i.e. a notice of a meeting shall be sent at least 10 business days prior to the date of each meeting.

3.4.2. A notice of a meeting shall be sent to a member of the Board of Directors in writing by mail, by facsimile or by e-mail, or delivered by hand against receipt or through an authorized representative or by cable or by any other method convenient for such member as set forth in the questionnaire of such member of the Board of Directors.

3.4.3. Each notice of a meeting shall include:

- items on the agenda;
- the date, time, place and form of the meeting;
- the mail address, the fax number or the e-mail address to which a member of the Board of Directors may deliver his or her written opinion.

3.5. Change of the place or time of a meeting of the Board of Directors.

3.5.1. In the event any circumstances occur that make it impossible or difficult to hold a meeting of the Board of Directors in the place and/or the time that has been notified to members of the Board of Directors, such meeting in accordance with the proposed addenda may be held in any other place and/or other time.

3.5.2. Each member of the Board of Directors shall be notified of the change of the place and/or time of a meeting of the Board of Directors by the Chairman of the Board of Directors or by the Secretary of the Board of Directors by any method referred to in Section 3.4.2 hereof not later than 5 business days before the date of such meeting of the Board of Directors.

3.6. Taking into account the written opinion of a member of the Board of Directors absent from a meeting.

3.6.1. A written opinion of a member of the Board of Directors that is absent from a meeting of the Board of Directors shall count in the quorum and the results of voting on items on the agenda.

A written opinion of a member of the Board of Directors may contain his or her voting options either on all or on certain items on the agenda of a meeting.

A written opinion shall contain the following information:

- full official name of the Company;
- the date of the meeting of the Board of Directors;
- items on the agenda of the meeting that are put to a vote;
- the wording of resolutions on each item on the agenda that is put to a vote, explicitly evidencing what resolution was adopted by such member of the Board of Directors;
- the signature of the member of the Board of Directors.

3.6.2. A written opinion shall be submitted by a member of the Board of Directors to the Chairman or to the Secretary of the Board of Directors in writing by mail, by facsimile or by e-mail (to the mail address, fax number or the e-mail address, respectively, as set forth in the notice of such meeting of the Board of Directors), or delivered by hand or through an authorized representative before the date of such meeting of the Board of Directors.

If a written opinion is delivered by facsimile or by e-mail, the original copy of such written opinion shall be submitted to the Secretary of the Board of Directors within a reasonable period of time.

3.6.3. The person presiding over a meeting of the Board of Directors shall announce the written opinion of a member of the Board of Directors that is absent from such meeting of the Board of Directors before voting on the item of the agenda to which such opinion relates.

In the event such member of the Board of Directors is present at the meeting of the Board of Directors, his or her written opinion received prior to such meeting shall not be announced at the meeting and shall not count in the quorum and the results of voting.

3.7. Resolutions of the Board of Directors adopted by absentee voting.

3.7.1. A resolution of the Board of Directors may be adopted by absentee voting as provided for in this section.

A resolution on absentee voting shall be adopted by the Chairman of the Board of Directors. Absentee voting may not be held by resolution of a person acting as the Chairman of the Board of Directors before the Chairman has been elected or in his or her absence.

3.7.2. A resolution on absentee voting shall approve:

- the items to be put to a vote;
- the wording and form of a voting ballot;
- the list of information (materials) to be delivered to members of the Board of Directors;
- the date when voting ballots and other information (materials) shall be delivered to members of the Board of Directors;
- the closing date for the receipt of voting ballots;
- the method of submitting filled-out voting ballots to the Board of Directors.

3.7.3. Each voting ballot shall contain the following information:

- the full official name of the Company;
- the closing date for the receipt of voting ballots;
- the mail address for the receipt of filled-out voting ballots;
- the wording of the resolution on each item to be put to a vote;
- voting options on each item to be put to a vote expressed as "in favor", "against", and "abstained";
- the description of the mechanics of filling out the respective voting item (underline, delete, etc.);
- a note that the ballot shall be signed by the member of the Board of Directors.

3.7.4. Voting ballots and other information (materials) shall be in writing and shall be sent to each member of the Board of Directors by mail, by facsimile or by e-mail or delivered by hand against receipt or through an authorized representative in accordance with the information set forth by such member of the Board of Directors in the questionnaire.

The date of delivery of a voting ballot or other information (materials) for a meeting to a member of the Board of Directors shall be the date when such ballot or information is sent by any method described above or delivered by hand to a member of the Board of Directors against receipt or to his or her authorized representative.

3.7.5. Each member of the Board of Directors shall deliver his or her voting ballot to the Secretary of the Board of Directors in writing by a method described in Section 3.7.4. hereof.

If a voting ballot is delivered by facsimile or by e-mail, the original copy of such voting ballot shall be submitted to the Secretary of the Board of Directors within a reasonable period of time.

3.7.6. Those members of the Board of Directors whose ballots were received not later that on the closing date fixed for the receipt of ballots shall be deemed participating in the absentee voting.

If a meeting of the Board of Directors is held in the absentee form, a resolution of the Board of Directors shall be deemed adopted, provided that at least five members of the Board of Directors have voted in favor, unless such resolution requires more votes pursuant to the Federal Law On Joint Stock Companies.

3.7.7. Minutes on the results of absentee voting shall be prepared not later than 3 days following the closing date fixed for the receipt of voting ballots. Such minutes shall be

signed by the Chairman of the Board of Directors who shall be responsible for the accuracy of the minutes, and by the Secretary of the Board of Directors.

Each member of the Board of Directors shall be notified of resolutions adopted by the Board of Directors by absentee voting and results of absentee voting not later than 5 business days following the execution of the minutes on the results of absentee voting by copies of such minutes delivered to such member by any of the methods referred to in Section 3.4.2. hereof.

3.8. Minutes of a meeting of the Board of Directors.

3.8.1. Minutes at a meeting of the Board of Directors shall be kept by the Secretary of the Board of Directors or, in the absence of the Secretary, by a member of the Board of Directors as suggested by the person presiding at such meeting.

3.8.2. Minutes of a meeting of the Board of Directors shall be prepared not later than three (3) days following the date of such meeting. The minutes of a meeting shall include:

- the place and time of such meeting;
- the persons present at the meeting;
- the persons who submitted their written opinions on the items on the agenda;
- the agenda of the meeting;
- the items that were put to a vote, and the results of voting;
- resolutions adopted.

Minutes of each meeting of the Board of Directors shall be signed by the person presiding over such meeting who shall be responsible for the accuracy of the minutes, and by the Secretary of the Board of Directors.

3.8.3. In the event written opinions of members of the Board of Directors absent from a meeting of the Board of Directors count in the quorum and results of voting, such written opinions on items on the agenda received from members of the Board of Directors shall be attached to the minutes.

3.8.4. A copy of minutes of a meeting of the Board of Directors shall be made available to any member of the Board of Directors at his or her written request within 7 business days from the date of each respective request.

4. REMUNERATION PAYABLE TO A MEMBER OF THE BOARD OF DIRECTORS AND COMPENSATION OF EXPENSES INCURRED IN CONNECTION WITH THE FUNCTIONS OF A MEMBER OF THE BOARD OF DIRECTORS

4.1. The payment of remuneration and compensations to members of the Board of Directors of the Company.

4.1.1. By resolution of the general meeting of shareholders, remuneration shall be payable and/or expenses incurred in connection with the functions of a member of the Board of Directors of the Company shall be compensated to such member of the Board of Directors in the period when he or she functions as such. The amount of such remuneration and compensations shall be established by a resolution of the general meeting of shareholders.

4.1.2. Expenses to be compensated to a member of the Board of Directors during the period when he or she functions as such shall be as follows:

- expenses relating to the travel to the place of the meeting of the Board of Directors, of a committee of the Board of Directors and from the place of such meeting to the destination, and the accommodation in the place of the meeting;
- other expenses as determined by a resolution of the Board of directors.

4.1.3. All expenses incurred by a member of the Board of Directors as set forth in Section 4.1.2. hereof shall be compensated on the basis of an application to the extent of the actual amount of such expenses as confirmed by respective documents.

5. MISCELLANEOUS

5.1. Each independent director shall immediately notify the Board of Directors of the Company in writing of all circumstances of which he or she is or should be aware that give or would give rise to the loss of his or her status as an independent director.

If the Board of Directors receives a notice of such circumstances, the Board of Directors shall, at the next meeting of the Board of Directors, consider whether such independent director qualifies as an independent member of the Board of Directors.

5.2. Each member of the Board of Directors shall submit to the Secretary of the Board of Directors a questionnaire of a member of the Board of Directors (the "questionnaire") in the form provided for in Annex No. 1 hereto.

In the event of any change in the information or data set forth in the questionnaire, a member of the Board of Directors shall within 3 days notify the Secretary of the Board of Directors by a new questionnaire delivered to the Secretary.

Annex No. 1
To Regulations of the Board of Directors
of OAO Raspadskaya

QUESTIONNAIRE
of a member of the Board of Directors of OAO Raspadskaya

Full name: _____

Date of birth: _____ nationality: _____

Identity document:

☐ Passport ☐ identity card ☐ driving license

Series: _____ No.: _____

Date of issuance: _____

Issuing authority: _____

Taxpayer identification No.: _____

(the taxpayer identification number shall be given if it was issued to such person by the Russian tax authorities)

Residence

Zip code: _____ Region/District: _____

City: _____ Street: _____

House: _____ Building _____ Apartment: _____

Mail address

Zip code: _____ Region/District: _____

City: _____ Street: _____

House: _____ Building _____ Apartment: _____

Phone: _____ **Fax:** _____ **E-mail:** _____

Representative authorized to receive notices of meetings of the Board of Directors, voting ballots and other correspondence and materials:

Full name: _____

Identity document:

☐ Passport ☐ identity card ☐ driving license

Series: _____ Number: _____

Date of issuance: _____

Issuing authority: _____

Mail address

Zip code: _____ Region/District _____

City:

Methods of delivery of notices of meetings of the Board of Directors, voting ballots and other correspondence and materials:

☐ to the mail address given above ☐ to the fax given above ☐ to the e-mail address given above

☐ hand delivery against receipt ☐ through the authorized representative named above ☐ by cable

☐ other method: please describe _____

Signature specimen

_____, 200___